

CALIFORNIA GAMBLING CONTROL COMMISSION

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**Updated Informative Digest**

No changes to be made. The Informative Digest in the Notice of Proposed Rulemaking is incorporated as if fully set forth in this section.

Final Statement of Reasons**COMMENTS: SUMMARY AND RESPONSE**

One comment letter was received during the 45-day comment period.

Alan Titus, on behalf of Artichoke Joe's, a cardroom, had three areas of concern.

In the first area, in proposed regulation 12356, he asks about having an expedited procedure and timelines for processing game rules. If a cardroom has had a game approved in one jurisdiction, why should other cardrooms still be required to seek approval? Approval of a game otherwise approved should take no longer than 14 days, and approval of new games should take no longer than 90 days.

Response: the Gambling Control Act allows local jurisdictions to have stricter rules on games, wagering limits, etc., than set forth by the state. While many jurisdictions allow the card game Texas Hold 'Em, not all do. Additionally, wagering limits differ between jurisdictions, such as whether or not to allow a player to go "all in" and bet all of the player's money. Because of this, the Division must review the rules of the game in the context of the local ordinance. Processing times for applications are currently set forth in a Division of Gambling Control, regulation California Code of Regulations, title 11, section 2071. The proposed Commission regulation does not change these processing times. In order to eliminate any confusion, however, a non-substantive change referring the public to the Division regulation is being made to proposed regulation 12356, subsection (b).

In the second area, in subsection (f) of proposed regulation 12356, the comment suggests that the regulation be changed to provide that judicial review of a Division order disapproving a game does not come under Business and Professions Code 19804 because the Division construes, applies, and enforces the Penal Code.

Response: the Commission does not accept this suggestion. Judicial review of an order of the Division is properly under Business and Professions Code 19804 because the Division's responsibilities and powers are detailed in the Gambling Control Act, which is part of the Business and Professions Code. Thus, the Division approves game rules pursuant to the Business and Professions Code, not the Penal Code, even though the Division must use Penal Code provisions in making determinations regarding the appropriateness of game rules.

In the third and final area, the comment suggests that mention be made of state law in listing the factors for additional table approvals in proposed regulation 12359, subsection (b).

Response: the Commission does not accept this suggestion. Although this idea was considered in previous workshop drafts, the Commission concluded that explaining statutory law in the regulation is duplicative and unnecessary. The Commission believes that subsection (b)(1) of proposed regulation 12359 adequately addresses the concerns reflected in the comment.

There were no requests for a public hearing and no public hearing was held.

UPDATE OF INITIAL STATEMENT OF REASONS

The Initial Statement of Reasons is incorporated as if fully set forth in this section.

Required Determinations

LOCAL MANDATE

These regulations do not impose a mandate on local agencies or school districts.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATIONS AND REASONS FOR REJECTING THOSE ALTERNATIVES.

The Commission is not aware of any reasonable alternatives that would as effectively achieve the regulatory purpose of processing initial license applications and license renewals.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESSES

The Commission is not aware of any reasonable alternatives that would lessen any adverse impact on small businesses.

IMPACT ON PRIVATE PERSONS

The Commission is not aware of any reasonable alternatives that would be more effective or as effective and less burdensome to private persons.

Addendum to Final Statement of Reasons

Required Determinations

LOCAL MANDATE

These regulations do not impose a mandate on local agencies or school districts.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATIONS AND REASONS FOR REJECTING THOSE ALTERNATIVES.

The Commission is not aware of any reasonable alternatives that would as effectively achieve the regulatory purpose of processing additional table applications.

REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESSES

The Commission is not aware of any reasonable alternatives that would lessen any adverse impact on small businesses.

IMPACT ON PRIVATE PERSONS

The Commission is not aware of any reasonable alternatives that would be more effective or as effective and less burdensome to private persons.

IMPACT ON BUSINESS

The Commission has made a determination that the proposed regulatory changes will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.